per cent, bonds, more favorable conditions for issuing circulation, and facility for creating small banks—may be traced in the following table of national banking progress from 1896 :

NATIONAL BANKING PROGRESS, 1896-1908.

Oct. 31.	No. Banks.	Capital.	Circulation.	Two per cent, bonds to secure circulation.
1896	3,679	$658,304915	$234,984,444	....
1897	3,617	638,015,295	230,131,005	....
1898	3,59S	624,552,195	239,629,136	....
1899	3>6oi	608,528,045	243,066,624	....
1900	3,935	632,502,395	331,693,412	$270,006,600
1901	4,279	663,224,195	359,9[illegible],683	316,625,550
1902	4,678	713435,695	380,476,334	320,738,000
1903	5,147	766,367,095	419,610,683	376,003,300
i9°4	5,495	781,126,335	457,281,500	416,972,750
1904	5,858	812,026,075	524,508,249	483,181,900
1905	6,225	845,939,775	583,171,985	506,652,730
1907	6,650	909,274,775	609,980,460	549,788,930
1908[1]	6,873	930,365,275	665,844,987	593,259,38o

The Gold Standard Act of 1900 marked an important stage in the financial progress of the United States. The advocates of a scientific currency system were not satisfied, however, with the absence of a provision changing the basis of bank-note circulation so as to make it more directly responsive to changes in business needs. The Indianapolis Committee continued the agitation of this subject for some years and reform was urgently recommended by each succeeding Secretary of the Treasury. Mr. Lyman J. Gage, who served in this position through the administration of President McKinley, was an especially earnest advocate of doing away with the bond security and giving greater flexibility to the system. His annual report to Congress in 1897 anticipated by a short time the recommendations of the Monetary Commission.

The great prosperity of the country, however, and the increase of the circulation by the influx of gold, detracted

[1] Bonds of all classes to secure circulation, October 31, 1908, were $632,624,850.